

Date of meeting:	Thursday 13 November 2019
Title of report:	2020/21 School Funding Consultation Results – Addendum to School Funding 2020/21 Report
Type of report: Delete as required	For decision
Executive summary: Including reason for submission	This report provides the results of the 2020/21 School Funding Consultation which ran from 18 th October to 7 th November 2019. The report requests the Schools Forum to consider which of the options consulted on should be endorsed in relation to the level of the Minimum Funding Guarantee and the associated funding gains cap to be applied for the 2020/21 financial year and the level of any transfer from Schools Block to the High Needs Budget for 2020/21.
Budget / Risk implications:	Individual school budget levels for the 2020/21 financial year and the potential risk to services and resources for schools funded by the DSG from April 2020
Recommendations:	As detailed in Section 3, in respect of the options endorsed by the Schools Forum in relation to the level of the Minimum Funding Guarantee and the associated funding gains cap to be applied for the 2020/21 financial year and the level of any transfer from Schools Block to the High Needs Budget for 2020/21.
Voting requirements:	All Schools Forum members
Appendices:	Appendix 1 – Additional comments provided in school / academy Consultation responses.
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1.0 PURPOSE OF THE REPORT

- 1.1 This report is an addendum to the School Funding 2020/21 report provided to the Schools Forum and has been distributed two days later than the main distribution of reports as a result of the extension of the deadline of the School Funding Consultation until the 7th November 2019. The report provides an overview of the results and responses received from schools and academies to the 2020/21 School Funding Consultation.
- 1.2 The Schools Forum is asked to consider:
- The results of the Consultation and the responses received.
 - Which of the options consulted on should be endorsed in relation to the Minimum Funding Guarantee (MFG), and the associated funding gains cap, to be applied for the 2020/21 financial year and the level of any transfer from Schools Block to the High Needs Budget for 2020/21.

2.0 RESULTS OF THE LOCAL CONSULTATION

- 2.1 39 responses have been received to the Consultation, as shown below.

LA Maintained Primary	20
LA Maintained Secondary	5
LA Federation - Primary	3
LA Federation - Cross-Phase	1
Primary Academy	8
Academy Trust	2
	<hr/>
	39
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(57 schools and academies are represented in the responses received providing an overall response rate of 16.43% (15.35% LA maintained schools, 18.87% academies). 290 schools / academies are not represented in the consultation responses. 6 responses, representing 15% of the consultation responses received, supporting the same option (Option 1) have been submitted from one academy trust and a number of the schools within it).

- 2.2 The Consultation requested the views of schools and academies on 6 options related to the transfer of funds from the Schools Block to the High Needs budget and the level of the MFG and associated funding gains cap. The consultation results are detailed in the table below:

Options supported in respect of the transfer of funding to High Needs in 2020/21 and the level of Minimum Funding Guarantee protection, and associated funding gains cap to be applied in the calculation of school budgets for 2020/21 (support could be indicated for more than one option):		No. Responses Received Supporting Option
Option:		
Option 1	High Needs Transfer: 0% MFG: 1.37% Funding Gains Cap: 100%	23
Option 2	High Needs Transfer: 0% MFG: 1.84% Funding Gains Cap: 34.33%	16
Option 3	High Needs Transfer: 0.5% MFG: 0.5% Funding Gains Cap: 13.81%	11
Option 4	High Needs Transfer: 0.5% MFG: 1.84% Funding Gains Cap: 11.47%	15
Option 5	High Needs Transfer: 1.0% MFG: 0.5% Funding Gains Cap: 10.61%	2
Option 6	High Needs Transfer: 1.0% MFG: 1.84% Funding Gains Cap: 8.50%	2

A number of schools and academies also provided additional comments to support their responses. These comments are detailed in Appendix 1 to this report

- 2.3 There is a marginal majority of support indicated through the responses received to the Consultation for a MFG of less than the maximum allowed level of 1.84%. In 2018-19 the decision was made by the North Yorkshire Education Partnership to implement a funding formula which reflects the NFF principles and the associated transitional arrangements. The implementation of a lower level of MFG protection allows for a higher funding gains cap and facilitates a quicker transition for schools to the NFF funding values within the constraints of the overall funding levels received by North Yorkshire LA from the DfE.

3.0 RECOMMENDATIONS

- 3.1 Following the consultation with all schools and academies in North Yorkshire, the Forum is asked to consider which of the options consulted on should be endorsed by the Schools Forum.

STUART CARLTON
Corporate Director – Children and Young People’s Service

Appendix 1

2020/21 School Funding Consultation - Comments Received

School Type	Comment
Primary Academy	<p>As the Head of an Academy that appears to benefit due to the NFF implementation and is unaffected regardless of which adjustments are made to the application of percentages, I would like to offer views from a “neutral perspective”:</p> <p># The LA has been proactive in its lobbying and should be complimented on the impact that this has had in moving the school finance agenda forward on behalf of all children within the LA (and those in similar circumstances).</p> <p># Addressing high needs issues has been a significant issue for the LA for many years and the current strategic plan appears to be a positive move towards long term improvements for the benefit of everyone. However, the financial burden that the transition period brings is significant and the plan would be in jeopardy without another year of its funding boost. Further to this, it is imperative that the plan is implemented efficiently and in a timely fashion otherwise there may not be another opportunity to introduce additional funding beyond the base level in future years. I support the move to increasing the transfer to high needs of 1% as a means of moving the LA strategic plan forward efficiently.</p> <p># In turbulent times the need for good employee/employer relationships is vital. PAFA being de-delegated has ensured that union representation has been available to employees in a reasonable timeframe. This has enabled the employer to efficiently and effectively put policy into practice and has enabled the NYCC HR service to maintain a strong reputation as a traded service. If PAFA was weakened through delegating responsibility to schools, there is a danger that the currently stretched but functioning services cannot meet the increasing demands resulting in dissatisfaction on all sides. PAFA should be de-delegated to minimise the risk of a breakdown of relationships between employees and the service providers of HR.</p>
Primary Federation	<p>The additional funding for schools from the Department in Education has come at a time when the pressure on school budgets had become insurmountable. Schools are in desperate need of the full amount being allocated:-</p> <ul style="list-style-type: none"> To support the increasing range of need of pupils in school with less funding allocated to pupils with an EHCP To maintain and improve the standard of education we can offer To ensure the safety of all of our pupils all of the time To ensure leadership capacity within both schools when a Federative arrangement is in place. To be pro-active in maintaining the school building. <p>Schools acknowledge the huge pressure on the high needs budget and understand that the local authority is in huge deficit but this should not be at the expense of the needs of pupils in mainstream school.</p>
Primary Academy	<p>I would not support a 1% HNF contribution. Whilst there is significant shortfall still in HNF, the additional incoming High Needs Block funding must be taken into account and some ‘respite’ be allowed to school budgets such as they can benefit from promised additional income. Our school benefits from minimum per pupil level funding throughout all options and is not at risk of any HNF top-slice impact, but nonetheless the principle is there.</p> <p>Further I believe that given ‘hard NFF’ is the direction of travel, then MFG should not be used to artificially protect against the ultimate outcome. Such protection should be planned for at individual school level or ultimately by bespoke arrangement with the LA. In turn this allows schools which have long been underfunded to gain from NFF roll-out, albeit it does not necessarily level up funding nationally! Therefore the MFG should be as low as modelling pragmatically will allow without forcing schools into vulnerability, this then determines the cap.</p>

School Type	Comment
LA Maintained Primary	I'm happy to support any of the options that don't involve a 1% transfer to the high needs budget.
Academy Trust	<p>This does not seem to be a full options appraisal since there is no 0.0%/ 1.84%/ 100% option offered.</p> <p>Individual academies and MATs are under the same financial pressures described in the consultation and therefore it does not seem at all equitable to take a higher proportion out of the schools block into higher needs. The trust is working through a series of initiatives to address the historical deficits that we have inherited but any additional financial pressure at this point would have a direct impact on the offer to our children.</p> <p>There is nothing in the consultation that describes any measures to change or streamline services or otherwise implement initiatives to make efficiencies such as those schools and MATs are expected to make before asking for additional funding from schools' allocations.</p> <p>The illustrative funding has been presented on a pdf rather than an excel spreadsheet and so in terms of verifying the formulae behind the calculations or scenario planning this is not possible. It is possible that Option 2 could have been supported but without the underpinning data and in a few hours outside of half term it is not possible to work this out.</p> <p>There is nothing in the consultation that properly describes the expectation that schools could have of the service to be provided for the funding. If there was a clear description of what the different service levels would be to the school then it might be easier to evaluate what amounts to an investment decision.</p> <p>In short the consultation does not provide the tools or the time to properly consider the options presented, but fundamentally a transfer out of the schools block on the basis that there is insufficient funding is not a compelling rationale when it is a situation that equally applies to schools and MATs already struggling to balance the books.</p> <p>It should be noted that this consultation has only come to the Trust from a contact of a contact, which is not an acceptable situation. It also appears that the diocese was not in receipt of the consultation documentation which, given the hugely truncated timelines, is worrying.</p>
LA Maintained Primary	<p>Representing two small schools within an Federation with four times the national average of children with EHCP schools need every single pound available.</p> <p>The removal of exceptional element 2 funding is crippling our budget. We are funded on basis of 2 EHCP (one in each small school). We have 7. Previously we received additional element 2 funding for every EHCP over our 'expected'. School is currently funding the first part 1&2 funding of 5 more EHCP than expected for schools our size.</p> <p>Unsurprisingly this additional funding required to be found by the school matches our deficit demonstrating very starkly the impact of being a successful inclusive school.</p>
LA Maintained Primary	<p>Representing two small schools within an Federation with four times the national average of children with EHCP schools need every single pound available.</p> <p>The removal of exceptional element 2 funding is crippling our budget. We are funded on basis of 2 EHCP (one in each small school). We have 7. Previously we received additional element 2 funding for every EHCP over our 'expected'. School is currently funding the first part 1&2 funding of 5 more EHCP than expected for schools our size.</p> <p>Unsurprisingly this additional funding required to be found by the school matches our deficit demonstrating very starkly the impact of being a successful inclusive school.</p>

School Type	Comment
LA Maintained Primary Federation	<p>It would also be interesting to understand more about the wider financial planning taking place in relation to schools and education. For example, what is the strategy for small schools going forward? Also, given that there seems to be an increasing number of federations how we ensuring that these are funded properly and that Federation is not driven only by finance.</p> <p>Also, what is happening in relation to ensuring schools with higher numbers of pupils registered as SEN actually have those children and that the issue isn't poor provision? Do some schools cost more in relation to SEN and do we know why (excluding special schools)? How are schools that don't cost much in terms of accessing services rewarded for their positive work?</p> <p>Given the numbers of service pupils in the county could we have greater clarity on funding relating to turbulence rather than the OFSTED defined 'mobile' category.</p>
LA Maintained Cross Phase Federation	<p>Our preference is for no transfer to the High Needs Block as this would allow all schools to receive a minimum funding guarantee level of 1.37%. and it will allow those schools that are currently capped to receive the level of funding indicated by the NFF.</p> <p>We acknowledge the pressure on the High Needs Block but believe that this should not be resolved by top slicing school budgets. School budgets are already sharing the financial impact of increased numbers of students with EHCPs. In particular schools who are capped or on the minimum funding level, do not receive an increase in their Element 2 funding proportionate to the increase in the SEN needs of students. This combined with low levels of Element 3 funding, results in an ever increasing proportion of the school's budget being used to fund the gap in high needs funding. If school budgets are then also top sliced to transfer funding to the High Needs Block this is a double hit.</p> <p>If the Local Authority choose to ask the Secretary of State for a transfer to the High Needs Block then out of the options presented we would select Option 3, however, as stated our preference is for no transfer.</p>
LA Maintained Secondary	My selection is only Option 4 which supports some High Needs transfer

School Type	Comment
Primary Academy	<p>At XXXXX, we are already under considerable financial pressure to support pupils with all levels of additional needs. Whilst we always prioritise these children in terms of our funding and budget, we are physically and financially stretched.</p> <p>Individual academies and MATs are under the same financial pressures described in the consultation and therefore it does not seem at all equitable to take a higher proportion out of the schools block into higher needs. The trust we are part of (XXXXX Academy Trust) is working through a series of initiatives to address the historical deficits that we have inherited but any additional financial pressure at this point would have a direct impact on the offer to our children.</p> <p>There is nothing in the consultation that describes any measures to change or streamline services or otherwise implement initiatives to make efficiencies such as those schools and MATs are expected to make before asking for additional funding from schools' allocations.</p> <p>It is possible that Option 2 could have been supported but without the underpinning data and in a few hours outside of half term it is not possible to work this out.</p> <p>There is nothing in the consultation that properly describes the expectation that schools could have of the service to be provided for the funding. If there was a clear description of what the different service levels would be to the school then it might be easier to evaluate what amounts to an investment decision.</p> <p>In short the consultation does not provide the tools or the time to properly consider the options presented.</p> <p>It should be noted that this consultation has only come to our attention from a contact of a contact, which is not an acceptable situation. It also appears that the diocese was not in receipt of the consultation documentation which, given the hugely truncated timelines, is worrying.</p>
Primary Academy	<p>My preferences are based upon the need to safeguard XXXXX Academy, which continues to face an ongoing deficit situation despite teaching and support staff redundancies, increased class sizes and reduced resources. Whilst I understand and appreciate the need to reduce the LA SEND deficit, reducing my school deficit is of paramount importance for my school community in order to safeguard jobs and support for children with SEND whilst upholding standards.</p>

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Primary Academy	<p>This does not seem to be a full options appraisal since there is no 0.0%/ 1.84%/ 100% option offered.</p> <p>Individual academies and MATs are under the same financial pressures described in the consultation and therefore it does not seem at all equitable to take a higher proportion out of the schools block into higher needs. The trust is working through a series of initiatives to address the historical deficits that we have inherited but any additional financial pressure at this point would have a direct impact on the offer to our children.</p> <p>There is nothing in the consultation that describes any measures to change or streamline services or otherwise implement initiatives to make efficiencies such as those schools and MATs are expected to make before asking for additional funding from schools' allocations.</p> <p>The illustrative funding has been presented on a pdf rather than an excel spreadsheet and so in terms of verifying the formulae behind the calculations or scenario planning this is not possible. It is possible that Option 2 could have been supported but without the underpinning data and in a few hours outside of half term it is not possible to work this out.</p> <p>There is nothing in the consultation that properly describes the expectation that schools could have of the service to be provided for the funding. If there was a clear description of what the different service levels would be to the school then it might be easier to evaluate what amounts to an investment decision.</p> <p>In short the consultation does not provide the tools or the time to properly consider the options presented, but fundamentally a transfer out of the schools block on the basis that there is insufficient funding is not a compelling rationale when it is a situation that equally applies to schools and MATs already struggling to balance the books.</p>
Primary Academy	As a member of the School's Forum I am greatly concerned that due to the timing of this consultation there will be a low response rate from schools.
LA Maintained Primary Federation	I am not convinced we have been given sufficient information to make an informed decision.

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Primary Academy	<p>This does not seem to be a full options appraisal since there is no 0.0%/ 1.84%/ 100% option offered.</p> <p>Individual academies are under the same financial pressures described in the consultation and therefore it does not seem at all equitable to take a higher proportion out of the schools block into higher needs. Our trust is working through a series of initiatives to address the historical deficits that we have inherited but any additional financial pressure at this point would have a direct impact on the offer to our children.</p> <p>There is nothing in the consultation that describes any measures to change or streamline services or otherwise implement initiatives to make efficiencies such as those schools and MATs are expected to make before asking for additional funding from schools' allocations.</p> <p>The illustrative funding has been presented on a pdf rather than an excel spreadsheet and so in terms of verifying the formulae behind the calculations or scenario planning this is not possible. It is possible that Option 2 could have been supported but without the underpinning data and in a few hours outside of half term it is not possible to work this out.</p> <p>There is nothing in the consultation that properly describes the expectation that schools could have of the service to be provided for the funding. If there was a clear description of what the different would be to the school then it might be easier to evaluate what amounts to an investment decision. In short the consultation does not provide the tools or the time to properly consider the options presented, but fundamentally a transfer out of the schools block on the basis that there is insufficient funding is not a compelling rationale when it is a situation that equally applies to schools and MATs already struggling to balance the books</p>
LA Maintained Primary	<p>We fully support a transfer to the High Needs budget to help meet the growing need of provision for SEN children. Funding and support in the wider context has diminished so greatly in recent years against an increase in SEN levels and schools are being expected to bridge this gap, putting pressure on central budgets.</p> <p>As a school recently out of deficit and reliant on MFG to top up our funding, we cannot support an MFG lower than 1.84% due to the indicative impact on our funding levels.</p>
LA Maintained Secondary	<p>Increase the financial support provided to small rural schools to protect against a hard formula.</p> <p>Implementing a 1% High Needs transfer disadvantages small schools. The maximum amount of funding should be allocated to the Schools Block.</p>

School Type	Comment
LA Maintained Primary	<p>As a school we are not in support of percentage of school funding to be transferred to the High Needs. We feel we get very little help from NYCC in this area and have put many strategies in place to help our high need pupils for which we have to pay for. We do not feel we should have a fund the support other schools require.</p> <p>We are aware that High Need across NYCC is constantly increasing and taking that into consideration would go with option three.</p> <p>It states within the consultation that a pay increase for all teachers with starting to be increased by 6,000 by 2022. Will this then mean all other teaching scales with also be increased and will there be a pay grant to help schools with the cost of this?</p> <p>The NYCC narrative on high needs projects a significant overspend going forwards. Has this factored in the new free school in these calculations as fewer pupils hopefully would then be going out of county / to independent places and travelling less- will this then reduce costs?</p>
LA Maintained Secondary	<p>Q1: I would support Option 6- this delivers the High needs Transfer you require while ensuring PPF meets inflation at 1.84% for schools., but caps gains at 8.5% which seems reasonable.</p> <p>Q2: XXX only ever receives the MPPL of £4800 or the projected £5000 so in some sense figures related to MFG are somewhat academic for us.</p>
LA Maintained Primary	<p>I am extremely concerned about the lack of funding in schools for SEND and the impact this has on school communities. The reality of trying to manage SEND without adequate staff to support is extremely challenging. Even when an EHCP is applied for (and taking into account the notional £6000) the shortfall between Element 3 funding and the cost of staffing is massive.</p> <p>I am not clear whether if schools do not pass on high needs transfer funding whether it is then down to each school to fund E3 of their high needs pupils</p>
LA Maintained Primary	Please ensure service schools / those with high mobility are protected following changes to mobility factor for NFF
LA Maintained Primary	Following consultation with governors and the FMS Officer we have chosen Option 1 2 or 3. In the event of only one choice needed please go with Option 1.
LA Maintained Secondary	XXXXXX School continues to suffer the impact of being an extremely small rural school without the ability to achieve economies of scale. The school need the maximum support through MFG. Our per pupil funding is still well below where it needs to be especially with regard to the high number of High Needs students on roll.

School Type	Comment
Primary Academy	<p>This does not seem to be a full options appraisal since there is no 0.0%/ 1.84%/ 100% option offered.</p> <p>We are under the same financial pressures described in the consultation and therefore it does not seem at all equitable to take a higher proportion out of the schools block into higher needs. We are now part of a Trust that is working through a series of initiatives to address the historical deficits that we have inherited but any additional financial pressure at this point would have a direct impact on the offer to our children.</p> <p>There is nothing in the consultation that describes any measures to change or streamline services or otherwise implement initiatives to make efficiencies such as those schools and MATs are expected to make before asking for additional funding from schools' allocations.</p> <p>The illustrative funding has been presented on a pdf rather than an excel spreadsheet and so in terms of verifying the formulae behind the calculations or scenario planning this is not possible. It is possible that Option 2 could have been supported but without the underpinning data and in a few hours outside of half term it is not possible to work this out.</p> <p>There is nothing in the consultation that properly describes the expectation that schools could have of the service to be provided for the funding. At the moment the support we receive is very limited and not effective for us to agree to an increase in contribution we need reassurance what we would be getting and also a clear description of what the different services would be to the school then it might be easier to evaluate what amounts to an investment decision.</p> <p>In short the consultation does not provide the tools or the time to properly consider the options presented, but fundamentally a transfer out of the schools block on the basis that there is insufficient funding is not a compelling rationale when it is a situation that equally applies to schools and MATs already struggling to balance the books</p>